

AGENDA

HEALTH SERVICES AND DEVELOPMENT AGENCY

Legislative Plaza

Room 30

Sixth Avenue North & Union Street

Nashville, TN

Wednesday, September 27, 2006

8:30 a.m. CDT

I. CALL TO ORDER

II. DIRECTOR'S ANNOUNCEMENTS

III. CERTIFICATE OF NEED APPLICATIONS

- A. McKenzie Regional Hospital, McKenzie (Carroll County), TN — CN0605-032
The initiation of magnetic resonance imaging (MRI) services one (1) day per week via a leased mobile unit.
\$ 463,560.00
Opposition: McKenzie Medical Center
- B. East Tennessee Ambulatory Surgery Center, LLC, Johnson City (Washington County), TN — CN0605-035
The expansion and extension of the expiration date of an ambulatory surgical treatment center (ASTC) which was approved for relocation (unimplemented Certificate of Need CN0408-082A). The expiration date of CN0408-082A would be concurrent with this application. Operating rooms will increase from two (2) to four (4); one (1) procedure room will be added and square footage will increase by 4,742 square feet to approximately 10,279 square feet.
\$ 3,681,966.00
- C. Vanderbilt University Hospital, Nashville (Davidson County), TN — CN0606-037
Continuance of the facility's master plan, which include the following: the addition of a third bed tower; the addition of 141 acute care beds; the renovation and expansion of cardiac cath labs and hybrid operating rooms (ORs); and the addition of fourteen (14) newly constructed OR suites.
\$ 234,421,471.00
- D. Rock Island Cancer Center, LLC, McMinnville (Warren County), TN — CN0606-038
The establishment of a single specialty ambulatory surgical treatment center (ASTC) limited to radiation therapy, the initiation of radiation therapy and the acquisition of a linear accelerator located in approximately 6,200 square feet of which 3,000 square feet will be new construction, and utilized exclusively by the physicians of Community Cancer Center.
\$ 4,770,465.00
Opposition: Jigar Shah, MD; Paul N. Jacquin MD; Algis P. Sidrys MD; Cookeville Regional Medical Center; Cumberland Medical Center; Middle Tennessee Medical Center
- E. Radiology & Diagnostics, PLC, Murfreesboro (Rutherford County), TN — CN0606-040
The establishment of an outpatient diagnostic center (ODC) and the relocation of an existing magnetic resonance imaging (MRI) service (as approved in CN0305-035A) from 1102 Dow Street to 1350 Gateway Boulevard. The ODC will provide MRI, CT and other diagnostic services in 9,806 SF leased space in a medical office building under development. MRI service will be discontinued at 1102 Dow St, Murfreesboro (Rutherford County), TN.
\$ 6,240,868.00
Opposition: Middle Tennessee Medical Center
- F. Saint Francis Hospital, Memphis (Shelby County), TN — CN0606-041
The renovation and expansion of the emergency and registration departments on the hospital's campus. The project includes the renovation of 21,791 square feet and the addition of newly constructed 5,490 square feet to the existing Emergency Department, and the renovation of 6,300 square feet in the registration area for total 33,581 square feet.
\$ 10,507,743.35
- G. Livingston Regional Hospital, Livingston (Overton County), TN — CN0606-042
The conversion of ten (10) medical-surgical beds to geropsychiatric for an inpatient unit and initiation of geropsychiatric services for aging patients. The 114 licensed hospital bed complement will remain the same (100 general and 14 rehabilitation beds).
\$ 1,060,000.00
Opposition: Stephen T. Moore, D.O.; Restoration Healthcare of Celina; Cumberland River Hospital; White County Community Hospital; Sumner Regional Health Systems

- H. Premier Upright MRI, Nashville (Davidson County), TN — CN0606-044
The establishment of an outpatient diagnostic center (ODC), the acquisition of a 0.6 Tesla Fonar Stand-up magnetic resonance imaging (MRI) unit and initiation of MRI services in leased space.
\$ 3,423,094.00
Opposition: Next Generation Imaging, LLC; MedQuest, Inc.; Centennial Medical Center; St. Thomas Health Services; Radiology Alliance, PC
- I. Next Generation Imaging, LLC, Nashville (Davidson County), TN — CN0606-045
The establishment of an outpatient diagnostic center (ODC), the acquisition of a stand up magnetic resonance imaging (MRI) unit and the initiation of MRI services under a shared agreement with Millenium MRI, LLC (CN0502-013A-remains unimplemented). If approved, and if Millenium MRI, LLC's request for modification is approved, the project will replace Premier Open Stand-Up MRI (POSUM) CN0502-014A, the companion application to CN05020-013A for the shared use of the 0.6 Tesla Stand-Up MRI scanner.
In addition to this application the applicant asks to have Next Generation Imaging, LLC substituted for Premier Stand Up MRI, LLC, CN0502-014A which was approved at the May 25, 2005 Agency meeting.
\$ 1,983,351.52
Opposition: RADS III of America, LLC; MedQuest, Inc.
Conditional Opposition: Centennial Medical Center

IV. GENERAL COUNSEL'S REPORT

- A. Maury Regional Hospital, Columbia (Maury County), TN — CN0511-102A
Request for a project cost increase from \$78,000 to \$829,930 for a total increase of \$754,930. This project was approved at the February 22, 2006 Agency meeting for the conversion of eleven (11) unlicensed bassinets to an eight (8) licensed bed neonatal intensive care unit (NICU) and the initiation of neonatal intensive care services. The proposed NICU will be located on the fourth floor of the hospital. The 275 licensed bed complement of the facility did not increase as a result of this project.

Minor construction is required to the Neonatal Intensive Care Unit (NICU) and the addition of eight (8) state-of-the-art monitoring systems to assure high quality services to the NICU patients. The cost of construction is \$188,346 and the cost of equipment for the NICU unit is \$616,000.
- B. Fentress Health Systems, Jamestown (Fentress County), TN — CN0312-122AE
Request for a six (6) month of extension of the expiration date from October 1, 2006 to April 1, 2007. This project was approved at the February 25, 2004 Agency meeting for the relocation of an outpatient diagnostic center (ODC), previously approved by Certificate of Need No. CN0112-092A, from 220 West Central Avenue to 208 West Central Avenue, Jamestown, Tennessee. No health services will be initiated, discontinued or changed other than those diagnostic services, including magnetic resonance imaging (MRI) services, that were approved in CN0112-092A. No licensure is required for this facility.

At the February 22, 2006 Agency meeting an extension of the expiration date from April 1, 2006 to October 1, 2006 and a project cost increase from \$3,309,720 to \$3,639,720 was approved.

The building is substantially complete but scheduled installation of the equipment has been delayed due to unforeseen circumstances.
- C. Morristown-Hamblen Hospital Association, Morristown (Hamblen County), TN — CN0308-063A
Request for modification of the Certificate of Need for reductions in project costs. This project was approved at the November 19, 2003 Agency meeting for the addition of fifteen (15) acute care hospital beds. Thirteen (13) of the beds were to be utilized as medical/surgical beds and two (2) as obstetrical beds for a total bed increase from 155 to 170. Also included were major renovations to the hospital, including a second cardiac catheterization lab, at a total project cost of \$11,025,903. The expiration date is January 1, 2007. The project was not opposed. Requested modifications include the following: 1) reduction in the number of new beds from fifteen (15) to twelve (12) beds. Nine (9) of the beds were to be utilized as medical/surgical beds and three (3) will be obstetrical beds for a total bed increase from 155 to 167; and 2) Reduction in the total project cost from \$11,025,903 to \$8,217,970 due to construction, equipment, financing and miscellaneous cost.

V. OTHER BUSINESS

- A. Audit Committee

VI. CURRENT REPORTS

- A. Statistical Reports
B. Finance, Ways and Means Report
C. Minutes

VII. ADJOURNMENT